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SUMMARY RECORD OF THE 32nd MEETING

Chairman: Mr. DINU (Romania)

Chairman of the Advisory Committee on Administrative and Budgetary Questions: Mr. MSELLE

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The meeting was called to order at 3.25 p.m.

AGENDA ITEM 104: PROGRAMME BUDGET FOR THE BIENNIUM 1992-1993 (continued)

Programme budget implications of draft resolution A/C.6/47/L.15 concerning agenda item 133 (A/C.5/47/56)

1. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions (ACABQ)) said that the draft resolution recommended by the Sixth Committee for adoption by the General Assembly (A/C.6/47/L.15) would authorize the Special Committee on the Charter of the United Nations and on the Strengthening of the Role of the Organization to hold its next session from 1 to 19 March 1993 in order to continue its work on the question of the peaceful settlement of disputes between States and to consider other proposals. The draft resolution also requested the Special Committee to submit a report on its work to the Assembly at its forty-eighth session. In his report (A/C.5/47/56), the Secretary-General indicated that the conference-servicing requirements would be $310,800 to be met within the appropriations authorized under the programme budget for the biennium 1992-1993. Accordingly, the adoption of the draft resolution would entail no additional programme budget implications for 1992-1993.

2. The CHAIRMAN suggested that, based on the statement of programme budget implications submitted by the Secretary-General (A/C.5/47/56) and the recommendations of ACABQ, the Committee should inform the General Assembly that, should it adopt draft resolution A/C.6/47/L.15, no additional appropriation would be required under the programme budget for the biennium 1992-1993.

3. It was so decided.

First report of the Advisory Committee on Administrative and Budgetary Questions (A/47/7)

4. The CHAIRMAN said he took it that the Committee wished to recommend to the General Assembly that it take note with appreciation of the first report of ACABQ.

5. Mr. ORR (Canada), referring to the statement in paragraph 10 of document A/47/7 that ACABQ had written to the Secretary-General to express its concern about the legislative basis for financing the activities of the United Nations Institute for Training and Research (UNITAR) from the regular budget, asked whether any further information on the status of UNITAR would be forthcoming from the Secretariat.

6. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions) said that the Secretary-General had submitted a comprehensive report on the future of UNITAR which was being discussed in the

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Second Committee. Once the Second Committee had adopted a policy decision in that regard, ACABQ would address the administrative and financial implications of that decision.

7. It was so decided.

Construction of additional conference facilities at Addis Ababa and Bangkok (A/C.5/47/11 and A/47/7/Add.2)

8. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions) said that ACABQ did not wish to comment on the construction project at Bangkok. The comments of the Advisory Committee on the project at Addis Ababa (A/47/7/Add.2) were not intended to prejudice any decisions which the General Assembly might take on the subject. The report of the Secretary-General (A/C.5/47/11) reviewed the progress made on the project, noting that, while there had been some improvement in the pace of work, the construction was still taking place under difficult circumstances. The ACABQ proposed that, if there were no objections, the Fifth Committee should, in accordance with its usual practice, take note of the two reports.

9. The CHAIRMAN suggested that the Committee should recommend to the General Assembly that it should take note of the report of the Secretary-General on the construction of additional conference facilities at Addis Ababa and Bangkok (A/C.5/47/11) and that it should concur with the request made by ACABQ in paragraph 4 of its report (A/47/7/Add.2).

10. It was so decided.

11. Mr. KINCHEN (United Kingdom), explaining his delegation's position on the decision just adopted, said that, with regard to the project at Bangkok, the United Kingdom was prepared to support the payment of the additional costs amounting to $535,000, so long as there was an intention to uphold the provisions of General Assembly resolution 41/213 and the new budgetary process.

12. Mr. MICHALSKI (United States of America) said that his delegation had objected in 1984 to the proposed construction of the conference centre at Addis Ababa and that it continued to object to the expenditure of funds for that purpose.

13. Mr. TEIRLINCK (Belgium) said that his delegation agreed with the views expressed by the United Kingdom representative.

Recommendation of the Advisory Board on Disarmament Matters in document A/47/345 concerning agenda item 63 (A/C.5/47/19)

14. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions) said that the subvention to the United Nations Institute for Disarmament Research (UNIDIR) from the regular budget of the United

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Nations was governed by the provisions of paragraph 3, article VIII, of the statute of UNIDIR. The General Assembly had approved an appropriation of $440,000 in the budget under section 5, Disarmament, for that purpose; the first subvention, for 1992, had been considered at the previous session, and the second subvention, for 1993, was before the Fifth Committee. In keeping with the observation of ACABQ that a formal request for a subvention for 1993 would have to be made to the General Assembly, the Advisory Board on Disarmament Matters had recommended a subvention amounting to $220,000.

15. Should the General Assembly decide to approve that recommendation, there would be no additional programme budget implications, as the amount had already been included in the programme budget for the biennium 1992-1993. ACABQ reaffirmed its view that support costs for the Institute should be financed from voluntary contributions tied to specific projects, and requested that the matter should be specifically addressed in future reports requesting subventions from the regular budget.

16. Mr. MICHALSKI (United States of America) said that his delegation had previously expressed reservations concerning the funding of UNIDIR and that its position had not changed. Drawing attention to the statement in paragraph 6 of document A/C.5/47/19 that vigorous fund-raising efforts had doubled the amount of contributions in convertible currency and broadened the base of financial support for the Institute, he wished to know, first, the figures on which that statement was based, and secondly whether, in the light of the increase in voluntary contributions, there was any prospect of reducing the annual subvention to UNIDIR in the future.

17. Mr. IRUMBA (Uganda) expressed appreciation for the information provided in document A/C.5/47/19. Since UNIDIR furthered the Organization's overall objectives, his delegation considered that a subvention from the regular budget should continue to be provided to that Institute.

18. Mr. DUVAL (Programme Planning and Budget Division) said that a substantial proportion of the governmental contributions in convertible currency which UNIDIR had received in 1992 was tied to implementation of specific projects, as shown in annex III of document A/C.5/47/19. While UNIDIR had been gradually implementing a policy under which a modest proportion of such tied contributions would be earmarked to meet administrative costs, there was still a shortfall in the provision for personnel costs, in particular. Thus, while it was to be hoped that the possibility envisaged by the United States representative would be realized in the near future, subventions were still needed for the time being.

19. Mr. INOMATA (Japan) appreciated the explanation given by the representative of the Programme Planning and Budget Division. He wondered whether the figure of 20 per cent of administrative costs being met from tied contributions, as shown in annex III of document A/C.5/47/19, was an estimate

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or whether it reflected actual performance. The General Assembly had repeatedly emphasized the need for the Institute's programme support costs to be financed from tied contributions, and had requested the Secretary-General to apply the notion of voluntary contributions to UNIDIR. As the document did not specifically refer to that request by the Assembly, he wondered whether it had been taken into account.

20. Mr. DUVAL (Programme Planning and Budget Division) said that the 20 per cent figure referred to the discussions which had taken place between UNIDIR and donors who made tied contributions in the context of the Institute's efforts to eliminate its reliance on subventions from the United Nations regular budget. UNIDIR had obtained the donors' agreement that a portion of their tied contributions would be earmarked to meet administrative support costs. As shown in annex II of document A/C.5/47/19, the rate of programme support costs in 1992 had been 5 per cent of expenditures incurred. The Secretariat proposed to maintain that percentage for the biennium 1992-1993, while keeping the issue of the rate of programme support costs under review, so as to bring it into line with the standard rate of 13 per cent as soon as the Institute's financial situation permitted.

21. Mr. KINCHEN (United Kingdom) asked whether it would be appropriate to refer, in the decision to be adopted by the Committee, to the Secretariat's intention to keep the rate of programme support costs under review.

22. Mr. INOMATA (Japan) wondered whether the representative of the Programme Planning and Budget Division had provided an accurate picture of the level of support costs. The figure of 5 per cent, mentioned in annex II, represented the amount of administrative costs paid by UNIDIR to the United Nations Office at Geneva. If the financial situation of the Institute did not improve, it could not be expected to pay as much as 13 per cent. A level of 20 per cent was more than the General Assembly had envisaged.

23. Mr. DUVAL (Programme Planning and Budget Division) said that the Institute was endeavouring to persuade donors not to tie their contributions or else to accept that a proportion of them be earmarked to cover the administrative costs of the Institute. In resolution 44/201, the General Assembly had asked the Secretary-General to review the question of programme support costs, and he merely wished to confirm that the matter would indeed be kept under review.

24. The CHAIRMAN proposed that, based on the note by the Secretary-General (A/C.5/47/19) and the recommendations of ACABQ, the Fifth Committee should approve the recommendation of the Advisory Board on Disarmament Matters in respect of a subvention of $220,000 from the regular budget of the United Nations for 1993, on the understanding that the level of support costs charged to the Institute would be kept under review. He also proposed that the Committee should inform the General Assembly that, should it decide to approve the recommendations of the Board of Trustees of UNIDIR, no additional

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appropriations would be required under section 5 of the programme budget for the biennium 1992-1993.

25. It was so decided.

Revised estimates resulting from resolutions and decisions of the Economic and Social Council at its substantive session of 1992 (A/47/7/Add.4; A/C.5/47/21)

26. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions), introducing the report of ACABQ (A/47/7/Add.4), said that, according to the report of the Secretary-General (A/C.5/47/21), the total estimated requirements arising out of resolutions and decisions adopted by the Economic and Social Council amounted to $2.2 million for the biennium 1992-1993 and $5.1 million for the biennium 1994-1995, a total of $7.3 million. The total requirement covered both substantive costs ($3.2 million) and conference-servicing costs ($4.1 million). The Advisory Committee had noted that the conference-servicing costs for the biennium 1992-1993 ($1.2 million) would be financed from within the resources already appropriated for the programme budget. The non-conference-servicing costs for the biennium 1992-1993 were estimated at $914,700. The Secretary-General had estimated that an amount of $292,500 would be required to meet additional requirements for activities derived from resolutions and decisions of the Economic and Social Council not provided for in the programme budget and requiring use of the contingency fund. The Advisory Committee had no objection to that estimate and recommended that, at the present stage, the Fifth Committee should take note of the figure, on the understanding that such additional appropriations as might be requested by the Secretary-General would be submitted in the context of a consolidated statement to the General Assembly towards the end of its forty-seventh session.

27. Mr. MICHALSKI (United States of America) welcomed the proposal contained in paragraph 30 of the Secretary-General's report (A/C.5/47/21) to terminate low-priority activities in case the additional requirements could not be met from the contingency fund. However, he noted that the proposed terminations would not be sufficient to cover the additional costs in full.

28. He also drew attention to the backlog in the work of the Committee on the Elimination of Discrimination against Women and the Committee on Economic, Social and Cultural Rights, and wondered whether the delays in question were the fault of the Secretariat, the States parties, or the committees themselves.

29. Mr. AL-MAKTARI (Yemen) said that he would welcome information as to why an additional session of the Committee on Economic, Social and Cultural Rights was being held during 1993.

30. Mr. DUVAL (Programme Planning and Budget Division) said that the reports of the committees in question had been processed by the Secretariat. The problem was one of finding meeting time to enable the committees to review and

take action on those reports. The proposed additional session of the Committee on Economic, Social and Cultural Rights was intended precisely to meet that requirement.

31. Mr. IRUMBA (Uganda) asked whether the information, contained in paragraph 30 of the report of the Secretary-General (A/C.5/47/21), to the effect that the subprogramme for a workshop on accessing women to credit had been identified as low priority, was accurate.

32. Mr. MICHALSKI (United States of America) said that he would welcome information concerning the rate of utilization of conference-servicing time for the Committee on the Elimination of Discrimination against Women and the Committee on Economic, Social and Cultural Rights.

33. Mr. AL-MAKTARI (Yemen) was concerned that no budgetary provision had been made for the use of Arabic at the meetings of the committees concerned.

34. Mr. DUVAL (Programme Planning and Budget Division) said that the activity referred to by the representative of Uganda had indeed been identified as low priority. That designation had not been directly affected by the revisions to the medium-term plan. In reply to the representative of Yemen, he noted that the conference-servicing costs in question were based on translation and meeting services in all six official languages. He regretted that the information requested by the representative of the United States concerning the use of conference-servicing time was not readily available, but would attempt to provide it in due course.

35. Mr. IRUMBA (Uganda) said that it was a matter for concern that activities aimed at capacity-building were being proposed for deletion. Surely savings could have been made elsewhere.

36. The CHAIRMAN proposed that the Fifth Committee should recommend to the General Assembly that, at the present stage, it should take note of the additional requirements resulting from the resolutions and decisions of the Economic and Social Council in 1992, estimated at $292,500, on the understanding that such additional appropriations as might be requested by the Secretary-General would be submitted in the context of a consolidated statement to the General Assembly towards the end of its forty-seventh session.

37. It was so decided.

International Computing Centre: 1993 budget estimates (A/C.5/47/24 and Corr.1)

38. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions) said that the Advisory Committee recommended that the General Assembly should approve the estimated requirement of $13,789,700, given in the report of the Secretary-General (A/C.5/47/24 and Corr.1), as the budget of the International Computing Centre (ICC) for the biennium 1992-1993.

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No additional expenditure would be required from the regular budget. The report of the Advisory Committee would be published in due course.

39. Mr. ORR (Canada) said that he was perplexed by the corrigendum to the report of the Secretary-General (A/C.5/47/24/Corr.1) and failed to understand why the reduction in the inflation rate from 5.85 per cent to 3.9 per cent was not fully reflected in the revised figures for revaluation and resource growth.

40. Mr. MICHALSKI (United States of America) said that he did not understand why the report before the Committee was distributed at all, since the information it contained was so confusing. He wondered whether the high vacancy rate referred to in paragraph 10 of the report was an indication that the Secretariat was considering reducing the number of permanent Professional posts at the Centre.

41. Mr. DUVAL (Programme Planning and Budget Division) said that the ICC budget estimates were submitted annually to the General Assembly in accordance with its resolution 31/208 of 1976, as explained in paragraph 1 of the report.

42. The figures given in the report had been based on a wrong inflation rate of 5.85 per cent, initially proposed by ICC, and used in the estimates submitted to the Consultative Committee on Administrative Questions (CCAQ). They had later been revised to bring them into line with the standard Geneva inflation assumption of 3.9 per cent. It did indeed appear strange that there was no corresponding change in the amount of the estimates. The reason lay in the different budget methodologies of the United Nations and ICC. On the basis of participating organizations' projections of their requirements ICC calculated the amount of resources needed for the year, in the present case SwF 19,719,320. For the purposes of the report to the General Assembly the ICC budget format was translated into the United Nations regular budget format - a confusing process - but of course the original Swiss franc amount remained unchanged. It might be useful to consider presenting the ICC budget document in a different format in future years.

43. As to the vacancy rate, he could say that the vacancies were used to hire short-term staff. Pending the appointment of a new Director of ICC, no action had been taken to recruit permanent staff.

44. Mr. STITT (United Kingdom) said that a comparison of the tables in the report indicated over 4.5 per cent real growth in the budget presented according to the United Nations methodology, as against only 0.83 per cent in the original version. It still appeared that the conclusion of the representative of Canada was correct: the use of the different exchange rates should have resulted in a lower total estimate. As the Secretary-General's report did not justify any resource growth, his delegation would like to know whether the Committee could recommend to the General Assembly a cut in the ICC budget estimates.

45. Mr. MICHALSKI (United States of America) asked how long the post of Director had been vacant and whether it was normal United Nations practice to allow directors to select their own personnel even if some units were thus left understaffed.

46. Mr. BIRAUD (France) said that his delegation had the same questions as the United States. It would be surprising to learn that nothing had been done to fill the vacancies; perhaps difficulties had been encountered in filling the posts.

47. Mr. IRUMBA (Uganda) agreed with the French delegation. Perhaps the Secretariat could seek an answer on that point from ICC.

48. Mr. DUVAL (Programme Planning and Budget Division) said that the post of Director had been vacant since March 1992. It was not standard practice to leave posts vacant pending the appointment of directors. He did not know why the posts were vacant but would convey the concerns expressed in the Fifth Committee to the ICC Management Committee.

49. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions) said that the method of presenting the ICC budget estimates was indeed confusing. Furthermore, table 1 in document A/C.5/47/24/Corr.1 was based on a new methodology which ACABQ had yet to examine. The ICC budget estimates were calculated from projections by the participating organizations of the level of services required, which ICC was obligated to provide. If the Committee reduced the estimates, it would have to justify its action by saying which organizations using ICC services should cut their requirements. That would be difficult to do. The Committee could of course take whatever action it saw fit, but the result might be to reduce the capacity of ICC to meet the demands made upon it.

50. Mr. STITT (United Kingdom) said that it was a bizarre task for the Committee and the General Assembly to be required to approve the estimates. It was pointless for the Committee to try to analyse them in their present format, especially if it had so little scope for action. It might also be asked whether, in using ICC, the United Nations was procuring the services in the best way; perhaps they should be put out to tender.

51. Mr. INOMATA (Japan) said that it appeared that ICC needed approximately SwF 19.8 million regardless of what dollar figure was shown in the Secretary-General's report. There did indeed seem to be some error in the calculation of the dollar amount, but the question to be answered was simply whether ICC needed SwF 19.8 million.

52. Mr. DUVAL (Programme Planning and Budget Division) said that the Secretariat was not requesting an appropriation since the cost of ICC services to the United Nations was already provided for in the programme budget for the current biennium. The only action required of the General Assembly was to review the estimates for the 1993 budget, which was financed to only a limited extent by the United Nations, and to decide whether to approve them.

53. Mr. ORR (Canada) proposed that the decision taken by the Committee should include a request for future ICC budget estimates to be presented in a format which took account of the unique nature of the Centre.

54. The CHAIRMAN suggested that the Committee should recommend to the General Assembly that it should approve the 1993 budget estimates of the International Computing Centre and request that future budget estimates should be presented in a format consistent with the unique nature of the Centre.

55. It was so decided.

The meeting rose at 5.30 p.m.